

UNITED STATES DISTRICT COURT
FOR THE
DISTRICT OF VERMONT

U.S. DISTRICT COURT
DISTRICT OF VERMONT
FILED

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CLERK

UNITED STATES OF AMERICA

v.

BLAKELY H. JENKINS, SR.,
Defendant.

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BY

DEPUTY CLERK

Criminal No. 2:21-cr-87-1

INDICTMENT

The Grand Jury charges:

1. At all times material to this indictment:

- a. The defendant BLAKELY H. JENKINS, SR. owned and operated a painting business under the name Blake Jenkins Painting, Inc. ("BJPI"). BJPI had its principal place of business in St. Johnsbury, Vermont. JENKINS's duties and responsibilities at BJPI included, among other things, controlling all of BJPI's bank accounts, acting as the sole authorized signatory for BJPI bank accounts, and approving all payments by BJPI.
- b. The Internal Revenue Service ("IRS") was an agency of the United States Department of the Treasury responsible for enforcing and administering the tax laws of the United States and collecting taxes owed to the United States.

2. Pursuant to the Internal Revenue Code and associated statutes and regulations, employers are required to withhold, account for, and pay over to the IRS certain taxes imposed on their employees, including income taxes, Social Security taxes, and Medicare taxes, and must further account for and pay over to the IRS their own share of such taxes based upon the total

wages they pay their employees (together, “employment taxes”). Employers are required to report total wages, taxes withheld, and employment taxes due and owing on, among other forms, Employer’s Quarterly Federal Tax Return, Form 941 (“Forms 941”).

3. To accurately assess and collect employment taxes, the IRS uses, among other things, the total wages, taxes withheld, and employment taxes due and owing that employers self-report on the Forms 941 they file with the IRS.

4. Between July 2015 and October 2020, JENKINS paid or attempted to pay the wages of certain BJPI employees partially or entirely “off the books” in cash. JENKINS obtained the cash to pay BJPI employees their wages “off the books” by writing checks from BJPI’s business bank account made payable to various names. In BJPI’s books and records, and often on faces of these checks, JENKINS falsely denoted the checks as for non-wage expenses when, in fact, the checks were for BJPI employee wages. JENKINS then cashed the checks, or caused others to cash the checks, and used the cash to pay BJPI employees.

5. Between July 2015 and March 2020, JENKINS also paid the wages of certain BJPI employees “off the books” by writing the employees checks from BJPI’s business account that JENKINS fraudulently denoted as non-wage payments when, in fact, the checks were to pay BJPI employee wages.

6. JENKINS prepared and caused to be prepared, and signed and caused to be signed, false and fraudulent Forms 941, which were submitted to the IRS. The Forms 941 were false and fraudulent in that they failed to report the “off the books” cash wages paid to BJPI employees and the “off the books” check wages paid to BJPI employees, thereby avoiding the payment of employment taxes on the full amount of wages actually paid to BJPI employees.

Counts One Through Six

7. The allegations in Paragraphs 1 through 6 are re-alleged and incorporated herein.

8. On or about the dates listed in the table below, for each of the calendar quarters listed below, in the District of Vermont and elsewhere, BLAKELY H. JENKINS, SR., a resident of St. Johnsbury, Vermont, willfully attempted to evade and defeat employment taxes due and owing to the United States of America for BJPI employees:

Count	Approximate Period of Affirmative Acts of Evasion	Period of Assessment Evaded
One	July 2015 to January 2016	Third Quarter of 2015
Two	July 2016 to October 2016	Third Quarter of 2016
Three	July 2017 to October 2017	Third Quarter of 2017
Four	July 2018 to October 2018	Third Quarter of 2018
Five	July 2019 to December 2019	Third Quarter of 2019
Six	January 2020 to April 2020	First Quarter of 2020

9. JENKINS willfully attempted to evade and defeat the assessment of the tax due and owing for each of the above counts by committing the following affirmative acts, among others:

- a. Preparing and causing to be prepared, and signing and causing to be signed, a false and fraudulent Form 941 on behalf of BJPI, which concealed the “off the books” cash and check wages paid to BJPI employees;
- b. Falsely denoting checks written from BJPI’s business bank account as checks for non-wage expenses when, in fact, JENKINS used the checks, and caused the checks to be used, to obtain cash in order to pay wages to employees;

- c. Falsely denoting checks written from BJPI's bank account as checks for non-wage payments when, in fact, JENKINS used the checks to pay BJPI's employees' wages.

(26 U.S.C. § 7201)

COUNT SEVEN

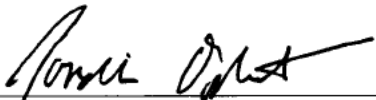
On or about August 21, 2020, in the District of Vermont, the defendant, BLAKELY H. JENKINS, SR., knowingly used in or affecting interstate or foreign commerce, without lawful authority, a means of identification of another person, to wit, a name, knowing that the means of identification belonged to another actual person, with the intent to commit and in connection with any unlawful activity that constitutes a violation of Federal law, to wit, willful attempt to evade and defeat tax in violation of 26 U.S.C. § 7201.

(18 U.S.C. § 1028(a)(7), (b)(2))

A TRUE BILL ^R

REDACTED

FOREPERSON ~


JONATHAN A. OPHARDT (NPC)
Acting United States Attorney
Burlington, Vermont
October 5, 2021